

EXHIBIT 2

DRAFT INTERCONNECTION AGREEMENT



**MASTER INTERCONNECTION AND RESALE AGREEMENT
FOR THE STATE OF MINNESOTA**

*Insert Date of Agreement
(leave blank until ready for final signature)*

KMC Telecom III, Inc. and KMC Telecom V, Inc.

and

[Insert Sprint Company Name]

THIS DOCUMENT IS A DRAFT AND REPRESENTS THE CURRENT POSITIONS OF THE SPRINT OPERATING TELEPHONE COMPANIES WITH RESPECT TO INTERCONNECTION AND RESALE. SPRINT RESERVES THE RIGHT TO MODIFY THIS DRAFT AGREEMENT, INCLUDING ANY APPENDICES, SCHEDULES AND/OR ATTACHMENTS THERETO, AT ANY TIME PRIOR TO THE EXECUTION OF A FINAL AGREEMENT BY BOTH PARTIES. THIS DOCUMENT IS NOT AN OFFER.

INTERCONNECTION AND RESALE AGREEMENT

This Interconnection and Resale Agreement (the "Agreement"), entered into this _____ day of _____, 20__, is entered into by and between KMC Telecom III, Inc. and KMC Telecom V, Inc. ("KMC"), a Delaware corporation, and [Insert Sprint Company Name] ("Sprint"), a [Insert state of incorporation] corporation, to establish the rates, terms and conditions for local interconnection, local resale, and purchase of unbundled network elements (individually referred to as the "service" or collectively as the "services").

WHEREAS, the Parties wish to interconnect their local exchange networks for the purposes of transmission and termination of calls, so that customers of each can receive calls that originate on the other's network and place calls that terminate on the other's network, and for KMC's use in the provision of exchange access ("Local Interconnection"); and

WHEREAS, KMC wishes to purchase Telecommunications Services for resale to others, and Sprint is willing to provide such service; and

WHEREAS, KMC wishes to purchase unbundled network elements, ancillary services and functions and additional features ("Network Elements"), and to use such services for itself or for the provision of its Telecommunications Services to others, and Sprint is willing to provide such services; and

WHEREAS, the Parties intend the rates, terms and conditions of this Agreement, and their performance of obligations thereunder, to comply with the Communications Act of 1934, as amended (the "Act"), the Rules and Regulations of the Federal Communications Commission ("FCC"), and the orders, rules and regulations of the [Insert Commission Name] (the "Commission"); and

WHEREAS, the parties wish to replace any and all other prior agreements, written and oral, applicable to the state of [Insert State Name].

Now, therefore, in consideration of the terms and conditions contained herein, KMC and Sprint hereby mutually agree as follows:

PART A - DEFINITIONS

1. DEFINED TERMS

- 1.1. Capitalized terms defined in this Article shall have the meanings as set forth herein. Other terms used but not defined herein will have the meanings ascribed to them in the Act or in the Rules and Regulations of the FCC or the Commission. The Parties acknowledge that other terms appear in this Agreement, which are not defined or ascribed as stated above. The parties agree that any such terms shall be construed in accordance with their customary usage in the telecommunications industry as of the Effective Date of this Agreement.
- 1.2. "911 Service" means a universal telephone number which gives the public direct access to the Public Safety Answering Point (PSAP). Basic 911 service collects 911 calls from one or more local exchange switches that serve a geographic area. The calls are then sent to the correct authority designated to receive such calls.
- 1.3. "Access Services" refers to interstate and intrastate switched access and private line transport services.
- 1.4. "Act" means the Communications Act of 1934, as amended.
- 1.5. "Active Collocation Space" means the space within a Sprint premises that has sufficient telecommunications infrastructure systems to house telecommunications equipment, which can be designated for physical collocation. Infrastructure systems include but are not limited to, floors capable of supporting equipment loads, heating, ventilating and air conditioning (HVAC) systems (AC poser), high efficiency filtration, humidity controls, remote alarms, compartmentation and smoke purge. Space within controlled environmental vaults (CEVs), huts and cabinets and similar eligible structures that can be designated for physical collocation shall be considered Active Collocation Space.
- 1.6. "Advanced Intelligent Network (AIN)" is a network functionality that permits specific conditions to be programmed into a switch which, when met, directs the Switch to suspend call processing and to receive special instructions for further call handling instructions in order to enable carriers to offer advanced features or services.
- 1.7. "Affiliate" is as defined in the Act.
- 1.8. "Applicable Law" means all laws including, but not limited to, the Act, the effective regulations, rules, and orders of the FCC and the state Commission, and any effective orders and decisions of a court of competent jurisdiction reviewing the regulations, rules, or order of the FCC or the state Commission.
- 1.9. "Automated Message Accounting (AMA)" is the structure inherent in switch technology that initially records telecommunication message information. AMA format is contained in the Automated Message Accounting document, published by Telcordia as GR-1100-CORE which defines the industry standard for message recording.

- 1.10. "Automatic Location Identification (ALI)" is a feature developed for E911 systems that provides for a visual display of the caller's telephone number, address and the names of the Emergency Response agencies that are responsible for that address. The competitive local exchange company will provide ALI record information in the National Emergency Number Association ("NENA") format. The ALI also shows an Interim Number Portability ("INP") number if applicable.
- 1.11. "Automatic Location Identification/Data Management System (ALI/DMS)" means the emergency service (E911/911) database containing subscriber location information (including name, address, telephone number, and sometimes special information from the local service provider) used to determine to which Public Safety Answering Point (PSAP) to route the call.
- 1.12. "Automatic Number Identification (ANI)" is a feature that identifies and displays the number of a telephone line that originates a call.
- 1.13. "Automatic Route Selection (ARS)" is a service feature associated with a specific grouping of lines that provides for automatic selection of the least expensive or most appropriate transmission facility for each call based on criteria programmed into the system.
- 1.14. "ATU – C" refers to an ADSL Transmission Unit – Central Office.
- 1.15. "Busy Line Verify/Busy Line Verify Interrupt (BLV/BLVI)" means an operator call in which the caller inquires as to the busy status of, or requests an interruption of a call on another subscriber's telephone line.
- 1.16. "Business Day(s)" means the days of the week excluding Saturdays, Sundays, and all Sprint holidays.
- 1.17. "Cable Vault" shall mean a location in a Premises where facilities enter the Premises from the Outside Cable Duct and access the Inner Duct for distribution within the Premises.
- 1.18. "Carrier Access Billing System (CABS)" is the system which is defined in a document prepared under the direction of the Billing Committee of the OBF. The CABS document is published by Telcordia in Volumes 1, 1A, 2, 3, 3A, 4 and 5 as Special Reports SR-OPT-001868, SR-OPT-001869, SR-OPT-001871, SR-OPT-001872, SR-OPT-001873, SR-OPT-001874, and SR-OPT-001875, respectively, and contains the recommended guidelines for the billing of access and other connectivity services. Sprint's carrier access billing system is its Carrier Access Support System (CASS). CASS mirrors the requirements of CABS.
- 1.19. "Central Office Building" or "Building" shall mean a structure (not including a controlled environment vault ("CEV")) housing Sprint equipment that is under the control of Sprint and for which Sprint has the right to grant access and/or occupation by third parties.
- 1.20. "CHARGE NUMBER" is a CCS parameter which refers to the number

transmitted through the network identifying the billing number of the calling party.

- 1.21. "CLASS" (Bellcore Service Mark) -- Service features that utilize the capability to forward a calling party's number between end offices as part of call set-up. Features include Automatic Callback, Automatic Recall, Caller ID, Call Trace, and Distinctive Ringing.
- 1.22. "COLLOCATION":
 - 1.19.1 "Physical Collocation" is as defined in 47.C.F.R. 51.5. Terms related to Physical Collocation are defined in Part K of this Agreement or applicable collocation tariff, as appropriate.
 - 1.19.2 "Virtual Collocation" is defined in 47.C.F.R. 51.5. Terms related to Virtual Collocation are defined in Part K of this Agreement or applicable collocation tariff, as appropriate.
- 1.23. "Collocation Arrangement" refers to a single, specific provision of Collocation in a particular Premises, not limited to a cage enclosing KMC's equipment within the Premises.
- 1.24. "Collocation Point of Termination" shall mean the physical demarcation point at which the Sprint responsibility for the provisioning of service ends, as described in Section 6. [Sprint, check reference?]
- 1.25. "Collocation Space" shall mean an area of space as agreed between the parties, located in a Building to be used by KMC to house telecommunications equipment. Additionally, roof or wall space used for wireless interconnection shall be included in the definition where applicable.
- 1.26. "Common Channel Signaling (CCS)" is a method of digitally transmitting call set-up and network control data over a digital signaling network fully separate from the public switched telephone network that carries the actual call.
- 1.27. "Central Office Switches" ("COs") - are switching facilities within the public switched telecommunications network, including, but not limited to:
 - 1.27.1. "End Office Switches" ("EOs") are switches from which end user Telephone Exchange Services are directly connected and offered.
 - 1.27.2. "Tandem Switches" are switches that are used to connect and switch trunk circuits between and among Central Office Switches.
 - 1.27.3. "Remote Switches" are switches that are away from their host or control office. All or most of the central control equipment for the remote switch is located at the host or control office.
 - 1.27.4. Central office switches may be employed as combination end office/Tandem Office Switches (Combination Class 5/Class 4).

- 1.28. "Centrex" means a Telecommunications Service associated with a specific grouping of lines that uses central office switching equipment for call routing to handle direct dialing of calls, and to provide numerous private branch exchange-like features.
- 1.29. "Controlled Environment Vault" shall mean a below ground room other than a Central Office Building which is controlled by Sprint and which is suitable for collocation of telecommunications equipment.
- 1.30. "CLASS/LASS" (Telcordia Service Mark) refers to service features that utilize the capability to forward a calling party's number between end offices as part of call setup. Features include Automatic Callback, Automatic Recall, Caller ID, Call Trace, and Distinctive Ringing.
- 1.31. "Commission" means the [insert appropriate commission].
- 1.32. "Common Transport" is the transmission facilities shared by more than one carrier, including Sprint, between end office switches, between end office switches and tandem switches in the Sprint network. Where Sprint Network Elements are connected by intra-office wiring, such wiring is provided as a part of the Network Elements and is not Common Transport. Common Transport consists of Sprint inter-office transport facilities and is distinct and separate from Local Switching.
- 1.33. "Confidential and/or Proprietary Information" has the meaning set forth in Article 11 of Part A -- General Terms and Conditions.
- 1.34. "Control Office" is an exchange carrier center or office designated as the Party's single point of contact for the provisioning and maintenance of its portion of local interconnection arrangements.
- 1.35. "Custom Calling Features" means a set of Telecommunications Service features available to residential and single-line business customers including call-waiting, call-forwarding and three-party calling.
- 1.36. "Customer Proprietary Network Information (CPNI)" is as defined in the Act.
- 1.37. "Database Management System (DBMS)" is a computer process used to store, sort, manipulate and update the data required to provide selective routing and ALI.
- 1.38. "Date of Occupancy" shall mean the date on which KMC first occupies the Collocation Space pursuant to this Agreement.
- 1.39. "Dedicated Transport" is an interoffice transmission path between KMC designated locations to which KMC is granted exclusive use. As mutually agreed by the Parties, such locations may include Sprint Central Offices or other locations, KMC network components, or other carrier network components.
- 1.40. "Digital Subscriber Line Access Multiplexer" ("DSLAM") is equipment that links end-user xDSL connections to a single high-speed packet switch, typically ATM

or IP.

- 1.41. "Directory Assistance Database" refers to any subscriber record used by Sprint in its provision of live or automated operator-assisted directory assistance including but not limited to 411, 555-1212, NPA-555-1212.
- 1.42. "Directory Assistance Services" provides listings to callers. Directory Assistance Services may include the option to complete the call at the caller's direction.
- 1.43. "DSLAM" refers to a Digital Subscriber Line Access Multiplexer.
- 1.44. "Duct" is a single enclosed path to house facilities to provide telecommunications services.
- 1.45. "Enhanced 911 Service (E911)" means a telephone communication service which will automatically route a call dialed "9-1-1" to a designated public safety answering point (PSAP) attendant and will provide to the attendant the calling party's telephone number and, when possible, the address from which the call is being placed and the Emergency Response agencies responsible for the location from which the call was dialed.
- 1.46. "Effective Date" is the date referenced in the opening paragraph on page 1 of the Agreement, unless otherwise required by the Commission.
- 1.47. "Electronic Interface" means access to operations support systems consisting of preordering, ordering, provisioning, maintenance and repair and billing functions.
- 1.48. "Emergency Response Agency" is a governmental entity authorized to respond to requests from the public to meet emergencies.
- 1.49. "Emergency Service Number (ESN)" is a number assigned to the ALI and selective routing databases for all subscriber telephone numbers. The ESN designates a unique combination of fire, police and emergency medical service response agencies that serve the address location of each in-service telephone number.
- 1.50. "EMI" (Exchange Message Interface System) is the Industry standard for exchanging telecommunications message information for billable, non-billable, sample settlement and study records. The EMI is published by ATIS (Alliance for Telecommunications Industry Solutions)."
- 1.51. "Expiration Date" is the date this Agreement terminates as referenced in §3.2 of Part B.
- 1.52. "FCC" means the Federal Communications Commission.
- 1.53. "FCC Interim Intercarrier Compensation Mechanism" means the interim intercarrier compensation mechanism established by the FCC in paragraphs 77-94 of the ISP Compensation Order.
- 1.54. "FCC Interconnection Order" is the Federal Communications Commission's First

Report and Order and Second Report and Order in CC Docket No. 96-98 released August 8, 1996; as subsequently amended or modified by the FCC from time to time.

- 1.55. "Grandfathered Service" means service which is no longer available for new customers and is limited to the current customer at their current locations with certain provisioning limitations, including but not limited to upgrade denials, feature adds/changes and responsible/billing party.
- 1.56. "High Frequency Spectrum Unbundled Network Element" ("HFS UNE") is defined as the frequency range above the voice band on a copper loop facility that is being used to carry analog circuit-switched voice band transmissions. The FCC's Third Report and Order in CC Docket No. 98-147 and Fourth Report and Order in CC Docket No. 96-98 (rel. December 9, 1999) (the "Line Sharing Order") references the voice band frequency of the spectrum as 300 to 3000 Hertz (and possibly up to 3400 Hertz) and provides that xDSL technologies which operate at frequencies generally above 20,000 Hertz will not interfere with voice band transmission.
- 1.57. "Inactive Collocation Space" means the space within the central office which can be designated for physical collocation where infrastructure systems do not currently exist and must be constructed and where Active Collocation space has been exhausted. The designation of Inactive Collocation Space is applicable to space within central offices only; other Sprint Premises such as CEVs, Huts, and Vaults shall be considered Active Collocation Space.
- 1.58. "Incumbent Local Exchange Carrier (ILEC)" is as defined in the Act.
- 1.59. "Inner Duct" or "Conduit" shall mean any passage or opening in, on, under, over or through the Sprint Central Office Building cable or conduit systems.
- 1.60. "Interexchange Carrier (IXC)" means a provider of interexchange telecommunications services.
- 1.61. "Indirect Traffic" means traffic which is originated by one Party and terminated to the other Party in which a third party Telecommunications Carrier provides the intermediary transiting service. Indirect traffic does not require a physical direct trunk group between the Parties.
- 1.62. "ISP-Bound Traffic," for the purposes of this Agreement, is traffic that is transmitted to or returned from the Internet at any point during the duration of the transmission between the Parties.
- 1.63. "Interim Number Portability (INP)" is a service arrangement whereby subscribers who change local service providers may retain existing telephone numbers without impairment of quality, reliability, or convenience when remaining at their current location or changing their location within the geographic area served by the initial carrier's serving central office. Upon implementation of Local Number Portability, defined herein, INP services will be discontinued.

- 1.64. "Line Information Data Base (LIDB)" means a Service Control Point (SCP) database that provides for such functions as calling card validation for telephone line number cards issued by Sprint and other entities and validation for collect and billed-to-third services.
- 1.65. "Live load capacity" as it relates to a KMC's collocation space refers to the structural strength of the floor to support the weight of KMC's property and equipment installed in the collocated space.
- 1.66. "Local Loop" refers to a dedicated transmission path between the main distribution frame [cross-connect], or its equivalent, in a Sprint Central Office or wire center, and up to the Network Interface Device at a customer's premises, to which KMC is granted exclusive use. This includes, but is not limited to, two-wire and four-wire copper analog voice-grade loops, two-wire and four-wire loops that are conditioned to transmit the digital signals needed to provide services such as ISDN and DS1-level signals.
- 1.67. "Local Number Portability (LNP)" means the ability of users of Telecommunications Services to retain, at the same Sprint served rate center, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.
- 1.68. "Local Service Request (LSR)" means an industry standard form or a mutually agreed upon change thereof, used by the Parties to add, establish, change or disconnect local services.
- 1.69. "Local Traffic," for the purposes of this Agreement the Parties shall agree that "Local Traffic" means traffic (excluding CMRS traffic) that is originated and terminated within Sprint's local calling area, or mandatory expanded area service (EAS) area, as defined by State commissions or, if not defined by State commissions, then as defined in existing Sprint tariffs. Notwithstanding, the Parties agree that if the Commission has defined the local calling area for purposes of reciprocal compensation in an order applicable to the Parties, the Parties will abide by that order. For this purpose, Local Traffic does not include any Information Access Traffic (see FCC ISP Compensation Order); and/or telecommunications traffic exchanged by a LEC and a CMRS provider that originates and terminates within the same Major Trading Area, as defined in 47.CFR § 24.202(a). Neither Party waives its' rights to participate and fully present its' respective positions in any proceeding dealing with the compensation for Internet traffic. Until the billing-Party has the capability to identify Type 1 CMRS traffic hosted by the other Party and distinguish it from the other Party's own traffic, the Parties shall treat intra-MTA Type 1 CMRS traffic as Local Traffic (the hosting Party's traffic) for intercarrier compensation purposes.
- 1.70. "LOE" shall mean KMC-owned equipment.
- 1.71. "Multiple Exchange Carrier Access Billing (MECAB)" refers to the document

prepared by the Billing Committee of the ATIS Ordering and Billing Forum (OBF). The MECAB document contains the recommended guidelines for the billing of an access service provided to a customer by two or more providers or by one provider in two or more states within a single LATA.

- 1.72. "Multiple Exchange Carrier Ordering And Design" ("MECOD") refers to the guidelines for Access Services - Industry Support Interface, a document developed by the Ordering/Provisioning Committee under the auspices of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS). The MECOD document, published by Telcordia as Special Report SR STS-002643, establishes recommended guidelines for processing orders for access service which is to be provided by two or more telecommunications carriers.
- 1.73. "North American Numbering Plan" ("NANP") means the plan for the allocation of unique 10-digit directory numbers consisting of a three-digit area code, a three-digit office code, and a four-digit line number. The plan also extends to format variations, prefixes, and special code applications.
- 1.74. "National Emergency Number Association (NENA)" is an association with a mission to foster the technological advancement, availability and implementation of 911 nationwide.
- 1.75. "Network Element" as defined in the Act.
- 1.76. "Number Portability" ("NP") means the ability of users of Telecommunications Services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.
- 1.77. "Numbering Plan Area (NPA)" (sometimes referred to as an area code) is the three-digit indicator which is designated by the first three digits of each 10-digit telephone number within the NANP. There are two general categories of NPA, "Geographic NPAs" and "Non-Geographic NPAs." A "Geographic NPA" is associated with a defined geographic area, and all telephone numbers bearing such NPA are associated with services provided within that geographic area. A "Non-Geographic NPA," also known as a "Service Access Code (SAC Code)" is typically associated with a specialized telecommunications service which may be provided across multiple geographic NPA areas; 500, 800, 900, 700, and 888 are examples of Non-Geographic NPAs.
- 1.78. "NXX," "NXX Code," "NNX," "COC," "Central Office Code," or "CO Code" is the three-digit switch entity indicator which is defined by the fourth, fifth and sixth digits of a 10-digit telephone number within NANP.
- 1.79. "OBF" means the Ordering and Billing Forum, which functions under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS)

- 1.80. "Operator Systems" is the Network Element that provides operator and automated call handling with billing, special services, subscriber telephone listings, and optional call completion services.
- 1.81. "Operator Services" provides for:
 - 1.81.1. operator handling for call completion (e.g., collect calls);
 - 1.81.2. operator or automated assistance for billing after the subscriber has dialed the called number (e.g., credit card calls); and
 - 1.81.3. special services (e.g., BLV/BLI, Emergency Agency Call).
- 1.82. "Outside Cable Duct" shall mean any space located outside the Central Office Building and owned by or under the control of Sprint through which Sprint runs its cable, conduit or other associated facilities.
- 1.83. "Parity" means, subject to the availability, development and implementation of necessary industry standard Electronic Interfaces, the provision by Sprint of services, Network Elements, functionality or telephone numbering resources under this Agreement to KMC, including but not limited to provisioning and repair intervals, at least equal in quality to those offered to Sprint, its Affiliates or any other entity that obtains such services, Network Elements, functionality or telephone numbering resources. Until the implementation of necessary Electronic Interfaces, Sprint shall provide such services, Network Elements, functionality or telephone numbering resources on a non-discriminatory basis to KMC as it provides to its Affiliates or any other entity that obtains such services, Network Elements, functionality or telephone numbering resources.
- 1.84. "P.01 Transmission Grade Of Service (GOS)" means a trunk facility provisioning standard with the statistical probability of no more than one call in 100 blocked on initial attempt during the average busy hour.
- 1.85. "Parties" means, jointly, [Insert Sprint Company Name] and KMC Telecom III, LLC and KMC Telecom V, Inc., and no other entity, affiliate or subsidiary.
- 1.86. "Party" means either [Insert Sprint Company Name] or KMC Telecom III, LLC and KMC Telecom V, Inc., and no other entity, affiliate or subsidiary
- 1.87. "Percent Local Usage (PLU)" is a calculation which represents the ratio of the local and Information Access minutes to the sum of local, Information Access and intraLATA toll minutes between exchange carriers sent over Local Interconnection Trunks. Directory assistance, BLV/BLVI, 900, and 976 transiting calls from other exchange carriers and switched access calls are not included in the calculation of PLU.

- 1.88. “Physical Point of Interconnection” (“Physical POI”) is the physical point that establishes the technical interface, the test point, and the operational responsibility hand-off between KMC and Sprint for the local interconnection of their networks.
- 1.89. “Premises” is as defined in 47 C.F.R. 51.5.
- 1.90. “Pre-Order Loop Qualification” (“Loop Qualification”) is an OSS function that includes supplying loop qualification information to KMCs as part of the Pre-ordering Process. Examples of the type of information provided are:
 - 1.90.1. Composition of the loop material, i.e. fiber optics, copper;
 - 1.90.2. Existence, location and type of any electronic or other equipment on the loop, including but not limited to:
 - 1.90.2.1. Digital Loop Carrier (DLC) or other remote concentration devices;
 - 1.90.2.2. Feeder/distribution interfaces;
 - 1.90.2.3. Bridge taps;
 - 1.90.2.4. Load coils;
 - 1.90.2.5. Pair gain devices; or
 - 1.90.2.6. Disturbers in the same or adjacent binders.
 - 1.90.3. Loop length which is an indication of the approximate loop length, based on a 26-gauge equivalent and is calculated on the basis of Distribution Area distance from the central office;
 - 1.90.4. Wire gauge or gauges; and
 - 1.90.5. Electrical parameters.
- 1.91. “Proprietary Information” shall have the same meaning as Confidential Information.
- 1.92. “Rate Center” means the geographic point and corresponding geographic area which are associated with one or more particular NPA-NXX codes which have been assigned to Sprint or KMC for its provision of Basic Exchange Telecommunications Services. The “rate center point” is the finite geographic point identified by a specific V&H coordinate, which is used to measure distance-sensitive end user traffic to/from the particular NPA-NXX designations associated with the specific Rate Center. The “rate center area” is the exclusive geographic area identified as the area within which Sprint or KMC will provide Basic Exchange Telecommunications Services bearing the particular NPA-NXX designations associated with the specific Rate Center. The Rate Center point must be located within the Rate Center area.
- 1.93. “Routing Point” means a location which Sprint or KMC has designated on its own

network as the homing (routing) point for traffic inbound to Basic Exchange Services provided by Sprint or KMC which bear a certain NPA-NXX designation. The Routing Point is employed to calculate mileage measurements for the distance-sensitive transport element charges of Switched Access Services. Pursuant to Telcordia Practice BR 795-100-100, the Routing Point may be an “End Office” location, or a “LEC Consortium Point of Interconnection.” Pursuant to that same Telcordia Practice, examples of the latter shall be designated by a common language location identifier (CLLI) code with (x)MD or X(x) in positions 9, 10, 11, where (x) may be any alphanumeric A-Z or 0-9. The above referenced Telcordia document refers to the Routing Point as the Rating Point. The Rating Point/Routing Point need not be the same as the Rate Center Point, nor must it be located within the Rate Center Area, but must be in the same LATA as the NPA-NXX.

- 1.94. “Small Exchange Carrier Access Billing (SECAB)” means the document prepared by the Billing Committee of the OBF. The SECAB document, published by ATIS as Special Report SR OPT-001856, contains the recommended guidelines for the billing of access and other connectivity services.
- 1.95. “Selective Routing” is a service which automatically routes an E911 call to the PSAP that has jurisdictional responsibility for the service address of the telephone that dialed 911, irrespective of telephone company exchange or wire center boundaries.
- 1.96. “Signaling Transfer Point (STP)” means a signaling point that performs message routing functions and provides information for the routing of messages between signaling points within or between CCIS networks. A STP transmits, receives and processes CCIS messages.
- 1.97. “Splitter” is a device that divides the data and voice signals concurrently moving across the loop, directing the voice traffic through copper tie cables to the switch and the data traffic through another pair of copper tie cables to multiplexing equipment for delivery to the packet-switched network. The Splitter may be directly integrated into the DSLAM equipment or may be externally mounted.
- 1.98. “Street Index Guide (SIG)” is a database defining the geographic area of an E911 service. It includes an alphabetical list of the street names, high-low house number ranges, community names, and Emergency Service Numbers provided by the counties or their agents to Sprint.
- 1.99. “Switch” – see Central Office Switch as defined in this Part A.
- 1.100. “Synchronous Optical Network (SONET)” is an optical interface standard that allows interworking of transmission products from multiple vendors (i.e., mid-span meets). The base rate is 51.84 MHps (OC-1/STS-1 and higher rates are direct multiples of the base rate up to 1.22 GHps).
- 1.101. “Tandem Office Switches”, “Tandem”, and “Tandem Switching” describe Class 4 switches which are used to connect and switch trunk circuits between and among

end office switches and other tandems.

- 1.102. "Tariff" means a filing made at the state or federal level for the provision of a telecommunications service by a telecommunications carrier that provides for the terms, conditions and pricing of that service. Such filing may be required or voluntary and may or may not be specifically approved by the Commission or FCC.
- 1.103. "Tariffed Service" shall mean the interconnection of KMC's equipment and Sprint's equipment pursuant to the Sprint Access Service tariffs as filed with the Federal Communications Commission ("FCC"), or applicable state tariffs.
- 1.104. "Technically Feasible" is as defined in 47 C.F.R § 5.1.5.
- 1.105. "Telecommunications" is as defined in the Act.
- 1.106. "Telecommunications Carrier" is as defined in the Act.
- 1.107. "Telecommunication Services" is as defined in the Act.
- 1.108. "Transit Service" means the delivery of Transit Traffic by Sprint or KMC, that originates or terminates on one Party's network from or to a third party Telecommunications Carrier's network, transiting through the other Party's network (the "transiting party").
- 1.109. "Transit Traffic" means traffic that originates or terminates on one Party's network from or to a third party Telecommunications Carrier's network, transiting through the other Party's network (the "transiting party").
- 1.110. "Wholesale Service" means Telecommunication Services that Sprint provides at retail to subscribers who are not telecommunications carriers as set forth in 47 USC § 251(c)(4) which Sprint provides to resellers at a wholesale rate.
- 1.111. "Wire Center" denotes a building or space within a building which serves as an aggregation point on a given carrier's network, where transmission facilities and circuits are connected or switched. Wire center can also denote a building in which one or more central offices, used for the provision of Basic Exchange Services and Access Services, are located.
- 1.112. "xDSL" refers to a generic term for a new series of high speed transmission protocols, equipment, and services designed to operate over copper wire. This series includes but is not limited to ADSL, VDSL, SDSL, and others.

PART B – GENERAL TERMS AND CONDITIONS

1. SCOPE OF THIS AGREEMENT

1.1. This Agreement, including Parts A through J, specifies the rights and obligations of each party with respect to the establishment, purchase, and sale of Local Interconnection, resale of Telecommunications Services and Unbundled Network Elements. Certain terms used in this Agreement shall have the meanings defined in PART A -- DEFINITIONS, or as otherwise elsewhere defined throughout this Agreement. Other terms used but not defined herein will have the meanings ascribed to them in the Act, in the FCC's, and in the Commission's Rules and Regulations. PART B sets forth the general terms and conditions governing this Agreement. The remaining Parts set forth, among other things, descriptions of the services, pricing, technical and business requirements, and physical and network security requirements, as listed following:

PART C – General Principals

TABLE ONE – Pricing

PART D – Local Resale

PART E – Network Elements

PART F – Interconnection

PART G – Interim Number Portability

PART H – Local Number Portability

PART I – General Business Process Requirements

PART J – Reporting Standards

PART K – Collocation

1.2. Sprint shall provide the services pursuant to this Agreement. Sprint shall not discontinue any service provided or required hereunder without providing KMC prior written notice of such discontinuation of service as required by law. Sprint agrees to cooperate with KMC and/or the appropriate regulatory body in any transition resulting from such discontinuation of service and to minimize the impact to customers which may result from such discontinuance of service.

1.3. Sprint will not discontinue any Network Element or Combination provided hereunder or reconfigure, reengineer or otherwise redeploy its network in a manner which affects KMC's service provided using Network Elements or Combinations provided hereunder or Telecommunications Services provided hereunder, except in connection with network changes and upgrades where Sprint: (i) complies with Sections 51.325 through 51.335 of Title 47 of the Code of Federal Regulations; (ii) with respect to

discontinued Network Elements or Combinations, cooperates with KMC and uses reasonable efforts to determine a reasonable alternative, if one exists, to the Network Element or Combination which is to be discontinued and to implement such alternative prior to discontinuance of such Network Element or Combination; and (iii) with respect to a network change, cooperates with KMC to find a reasonable alternative, if one exists, to the changed network to allow KMC to provide Telecommunications Services as if the change was not made. All technical and industry standards included in this Agreement are for illustrative purposes only and the Parties agree to abide by the most current standards. Sprint and KMC agree that all obligations undertaken pursuant to this Agreement are material obligations. All technical and industry standards included in this Agreement are intended to refer to the most current version of such standards, and the Parties agree to abide by the most current version.

1.4. Sprint shall provide notice of network changes and upgrades in accordance with §§ 51.325 through 51.335 of Title 47 of the Code of Federal Regulations.

2. REGULATORY APPROVALS

2.1. This Agreement, and any amendment or modification hereof, will be submitted to the Commission for approval in accordance with § 252 of the Act within thirty (30) days after obtaining the last required Agreement signature. Sprint and KMC shall use their best efforts to obtain approval of this Agreement by any regulatory body having jurisdiction over this Agreement. In the event any governmental authority or agency rejects any provision hereof, the Parties shall negotiate promptly and in good faith such revisions as may reasonably be required to achieve approval.

2.2. This Agreement is entered into as a result of private negotiations between the Parties. The Parties acknowledge that the respective rights and obligations of each Party as set forth in this Agreement are based on the texts of the Act and the rules and regulations promulgated thereunder by the FCC and the Commission as of the Effective Date ("Applicable Rules"). In the event of any amendment of the Act, any effective legislative action or any effective regulatory or judicial order, rule, regulation, arbitration award, dispute resolution procedures under this Agreement or other legal action purporting to apply the provisions of the Act to the Parties or in which the court, FCC or the Commission makes a generic determination that is generally applicable which revises, modifies or reverses the Applicable Rules (individually and collectively, "Amended Rules"), either Party may, by providing written notice to the other Party, require that the affected provisions of this Agreement be renegotiated in good faith and this Agreement shall be amended accordingly to reflect the pricing, terms and conditions of each such Amended Rules relating to any of the provisions in this Agreement.

2.3. Notwithstanding any other provision of this Agreement to the contrary §0 hereof shall control. The new rates, terms or conditions thus developed or modified shall be substituted in place of those previously in effect and shall be deemed to have been effective under this Agreement as of the effective date of the written notice to renegotiate the modifications, unless otherwise ordered by the FCC, Commission or court of competent jurisdiction. Should the Parties be unable to reach agreement with respect to the applicability of such order or the resulting appropriate modifications to this

Agreement, either party may invoke the Dispute Resolution provisions of this Agreement in Section 23.

2.4. The Parties intend that any additional services requested by either Party relating to the subject matter of this Agreement will be incorporated into this Agreement by written amendment.

2.5. Each Party has incorporated by reference certain provisions of its Tariffs that govern the provision of specified services or facilities provided hereunder. If any provision of this Agreement and an applicable approved tariff cannot be reasonably construed or interpreted to avoid conflict, the provisions in this Agreement shall prevail. Wherever any FCC or Commission ordered tariff provision or rate is cited or quoted herein, it is understood that said cite encompasses any revisions or modifications to said tariff.

2.6. This section intentionally left blank.

2.7. On February 20, 2003, the FCC adopted rules concerning incumbent LECs' obligations to make elements of their networks available on an unbundled basis at its open meeting. *In the Matter of the Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, Docket No. CC 01-338. The Parties agree that any effective regulatory order, rule or regulation issued as a result of implementing said rules shall constitute a revision or modification of the Applicable Rules and either Party may request that this Agreement be amended in good faith to reflect such Amended Rules pursuant to this Section.

2.8. Each Party will provide notice to the other Party of any Tariff or filing which concerns the subject matter of this Agreement as required by Applicable Law.

3. TERM AND TERMINATION

3.1. The term of this Agreement shall commence upon the Effective Date of this Agreement and shall be effective for two (2) years from the Effective Date until _____ ("Expiration Date"), unless cancelled or terminated earlier in accordance with the terms of the Agreement. No order or request for services under this Agreement shall be processed before the Effective Date, except as may otherwise be agreed in writing between the Parties, provided CLEC has established a customer account with Sprint and has completed the Implementation Plan described in Article **Error! Reference source not found.** hereof.

3.2. In the event of either Party's material breach of any of the terms or conditions hereof, including the failure to make any undisputed payment when due, the defaulting Party shall cure such breach within sixty (60) days after written notice from the non-defaulting Party and if it does not, the non-defaulting Party may immediately terminate this Agreement in whole or in part and shall be entitled to pursue all available legal and equitable remedies for such breach.

3.2.1. Any termination of this Agreement pursuant to this Section 3.3 shall take effect immediately upon delivery of written notice to the defaulting Party that it

failed to cure such nonperformance or breach within the applicable cure period. Neither Party shall have any liability to the other Party for termination of this Agreement pursuant to this Section 3.3 other than its obligations under Sections 3.5.

3.3. KMC may terminate this Agreement in whole or in part at any time for any reason upon sixty (60) days prior written notice, except with respect to termination of any particular service(s), in which case, upon thirty (30) days prior written notice. KMC's sole liability shall be payment of amounts due for services provided up to the date of termination..

3.4. Termination of this Agreement for any cause shall not release either Party from any liability which at the time of termination has already accrued to the other Party or which thereafter may accrue in respect to any act or omission prior to termination or from any obligation which is expressly stated herein to survive termination, including §§ 10, 13 and 20. Upon termination of this Agreement each Party shall promptly pay all undisputed amounts owed the other Party under this Agreement.

3.5. This Section intentionally left blank.

3.6. In the event of termination of this Agreement pursuant to this Sections 3.3 or 3.4, Sprint and KMC shall cooperate in good faith to effect an orderly transition of service under this Agreement to KMC or another vendor designated by KMC. Such transition period shall not exceed three (3) months in length unless it is technically infeasible, in which case the Parties will negotiate in good faith an extension thereof, and KMC agrees to continue to pay for any and all services it uses during such transition period.

Notwithstanding any termination hereof, the Parties shall continue to comply with their obligations under the Act to provide interconnection.

4. POST EXPIRATION INTERIM SERVICE ARRANGEMENTS

4.1. In the event that this Agreement expires , it is the intent of the Parties to provide in this Section for post-expiration interim service arrangements between the Parties so that service to their respective end users will not be interrupted should a Successor Agreement not be consummated and the Parties are in good faith negotiations for a Successor Agreement or the Parties are in arbitration or mediation before the appropriate Commission or FCC under § 252 of the Act. Therefore, except in the case of termination as a result of either Party's default under §0 or KMC's termination under §0, Interconnection services that had been available under this Agreement and exist as of the End Date may continue uninterrupted after the End Date at the written request of either Party only under the terms of:

- 4.1.1. a new agreement voluntarily entered into by the Parties, pending approval by the Commission; or
- 4.1.2. such standard terms and conditions or tariffs approved by and made generally available by the Commission, if they exist at the time of expiration; or

4.1.3. an existing agreement between Sprint and another carrier, adopted by KMC for the remaining term of that agreement.

4.2. In the event that this Agreement expires under §**Error! Reference source not found.**, and at the time of expiration, KMC is in good faith negotiations with Sprint on a successor agreement or the Parties are in arbitration or mediation before the appropriate Commission or FCC under §252 of the Act, the Parties shall provide each other Interconnection services after the Expiration Date under the same rates, terms and conditions as the expired Agreement.

4.3. Nothing herein shall be deemed to prevent KMC from adopting an Interconnection Agreement between Sprint and a third party pursuant to 47 CFR 51.809.

5. CHARGES AND PAYMENT

5.1. In consideration of the services provided by Sprint under this Agreement, KMC shall pay the charges set forth in Part C subject to the provisions of §0 hereof. The billing and payment procedures for charges incurred by CLEC hereunder are set forth in Part I.

5.2. Sprint reserves the right to secure the account with a suitable form of security deposit in accordance with §6 of Part C.

6. AUDITS AND EXAMINATIONS

6.1. Each Party to this Agreement will be responsible for the accuracy and quality of its data as submitted to the other Party involved. Subject to each Party's reasonable security requirements and except as may be otherwise specifically provided in this Agreement, either Party, at its own expense, may audit the other Party's books, records and other documents directly related to billing and invoicing once in any twelve (12) month period for the purpose of evaluating the accuracy of the other Party's billing and invoicing, including but not limited to billing and usage records. As used herein "Audit" shall mean a comprehensive review of services performed under this Agreement; "Examination" shall mean an inquiry into a specific element of or process related to services performed under this Agreement billed amounts. Either party (the "Requesting Party") may perform one (1) Audit per twelve (12) month period commencing with the Effective Date, with the assistance of the other Party, which will not be unreasonably withheld. The Audit period will include no more than the preceding twelve (12) month period as of the date of the Audit request, except that records or other documentation related to services provisioned during the preceding twelve (12) month period may be older than twelve (12) months and shall be included. The Requesting Party may perform Examinations as it deems necessary, with the assistance of the other Party, which will not be unreasonably withheld.

6.1.1. Notwithstanding the foregoing, the Requesting Party may audit the Audited Party's books, records and documents more than once annually if the previous audit found (i) previously uncorrected net variances or errors in invoices in Audited Party's favor with an aggregate value of at least

five percent (5%) of the amounts payable by Requesting Party for audited services, subject to a minimum threshold of \$250,000, provided during the period covered by the audit or (ii) non-compliance by Audited Party with any provision of this Agreement affecting Requesting Party's billing and invoicing of the services provided to Audited Party with an aggregate value of at least five percent (5%) of the amounts payable by Audited Party for audited services provided during the period covered by the audit, subject to a minimum threshold of \$250,000.

6.2. Upon thirty (30) days written notice by the Requesting Party to Audited Party, Requesting Party shall have the right through its authorized representative to make an Audit, during normal business hours, of any records, accounts and processes which contain information bearing upon the amounts billed or invoiced for the provision of services provided under this Agreement. Within the above-described thirty (30) day period, the Parties shall reasonably agree upon the scope of the Audit or Examination, the documents and processes to be reviewed, and the time, place and manner in which the Audit or Examination shall be performed. The Audited Party agrees to provide Audit or Examination support, including appropriate access to and use of Audited Party's facilities (e.g.: conference rooms, telephones, copying machines).

6.3. Each party shall bear its own expenses in connection with the conduct of the Audit or Examination. The reasonable cost of special data extraction required by the Requesting Party to conduct the Audit or Examination will be paid for by the Requesting Party. For purposes of this § 0, a "Special Data Extraction" shall mean the creation of an output record or informational report (from existing data files) that is not created in the normal course of business. If any program is developed to Requesting Party's specifications and at Requesting Party's expense, Requesting Party shall specify at the time of request whether the program is to be retained by the Audited Party for reuse for any subsequent Audit or Examination.

6.4. Adjustments, credits or payments shall be made and any corrective action shall commence within thirty (30) days from receipt of requesting Party's receipt of the final audit report to compensate for any errors or omissions which are disclosed by such Audit or Examination and are agreed to by the Parties. The Party responsible for the error or omission shall either forgo interest if they underbilled the other Party, or pay interest, as provided in Part I herein, if they were responsible for the other Party's underbilling.

6.5. Neither such right to examine and audit nor the right to receive an adjustment shall be affected by any statement to the contrary appearing on checks or otherwise, unless such statement expressly waiving such right appears in writing, is signed by the authorized representative of the party having such right and is delivered to the other party in a manner sanctioned by this Agreement.

6.6. This Article 6 shall survive expiration or termination of this Agreement for a period of one (1) year after expiration or termination of this Agreement.

6.7. The rights set forth in this Article 6 are in addition to the audit rights of either Party available under other Parts of this Agreement, including Parts E, F and I.

7. INTELLECTUAL PROPERTY RIGHTS

7.1. Any intellectual property which originates from or is developed by a Party shall remain in the exclusive ownership of that Party. Except for a limited license to use patents or copyrights to the extent necessary for the Parties to use any facilities or equipment (including software) or to receive any service solely as provided under this Agreement, no license in patent, copyright, trademark or trade secret, or other proprietary or intellectual property right now or hereafter owned, controlled or licensable by a Party, is granted to the other Party or shall be implied or arise by estoppel. It is the responsibility of each Party to ensure, at no separate, additional cost to the other Party, that it has obtained any necessary licenses in relation to intellectual property of third parties used in its network that may be required to enable the other Party to use any facilities or equipment (including software), to receive any service, or to perform its respective obligations under this Agreement. For the avoidance of doubt, the foregoing sentence shall not preclude Sprint from charging CLEC for such costs as permitted under a Commission order.

7.2. The Party providing a service pursuant to this Agreement will defend the Party receiving such service or data provided as a result of such service against claims of infringement arising solely from the use by the receiving Party of such service and will indemnify the receiving Party for any damages awarded based solely on such claims in accordance with Section 9 below.

8. LIMITATION OF LIABILITY

8.1. Neither Party shall be liable to the other for any indirect, incidental, special or consequential damages arising out of or related to this Agreement or the provision of service hereunder. Notwithstanding the foregoing limitation, a Party's liability shall not be limited by the provisions of this § 8 in the event of its willful or intentional misconduct, gross negligence, or its repeated breach of any one or more of its material obligations under this Agreement. A Party's liability shall not be limited with respect to its indemnification obligations.

9. INDEMNIFICATION

9.1. Except to the extent such damage is caused by such parties willful or intentional misconduct, or gross negligence, each Party agrees to indemnify and hold harmless the other Party from and against claims by third parties for damage to tangible personal or real property and/or personal injuries to the extent such claims arise from the negligence or willful misconduct or omission of the indemnifying Party.

9.2. KMC shall indemnify and hold harmless Sprint from all claims by KMC's subscribers, subject to §9.1.

9.3. Sprint shall indemnify and hold harmless KMC from all claims by Sprint's subscribers, subject to § 9.1.

9.4. The indemnifying Party under this Article agrees to defend any suit brought against the other Party either individually or jointly with the indemnified Party for any such loss, injury, liability, claim or demand.

9.5. The indemnified Party agrees to notify the other Party promptly, in writing, of any written claims, lawsuits, or demands for which it is claimed that the indemnifying Party is responsible under this Article and to cooperate in every reasonable way to facilitate defense or settlement of claims.

9.6. The indemnifying Party shall have complete control over defense of the case and over the terms of any proposed settlement or compromise thereof. The indemnifying Party shall not be liable under this Article for settlement by the indemnified Party of any claim, lawsuit, or demand, if the indemnifying Party has not approved the settlement in advance, unless the indemnifying Party has had the defense of the claim, lawsuit, or demand tendered to it in writing and has failed to promptly assume such defense. In the event of such failure to assume defense, the indemnifying Party shall be liable for any reasonable settlement made by the indemnified Party without approval of the indemnifying Party.

9.7. Subject to Section 9.1, when the lines or services of other companies and CLECs are used in establishing connections to and/or from points not reached by a Party's lines, neither Party shall be liable for any act or omission of the other companies or carriers.

9.8. Intentionally left blank.

10. BRANDING

10.1. In all cases in which Sprint has control over handling of Operator and Directory Assistance Services KMC may provide using services provided by Sprint under this Agreement, Sprint shall, where technically feasible, at KMC's sole discretion and expense, brand any and all such services at all points of customer contact exclusively as KMC services, or otherwise as KMC may specify, or be provided with no brand at all, as KMC shall determine. Sprint shall provide, for KMC's review and approval, the methods and procedures, training and approaches to be used by Sprint to assure that Sprint meets KMC's branding requirements for such Operator and Directory Assistance Services. Sprint may not unreasonably interfere with branding by KMC; provided, that if there are technical limitations as to the number of ILECs that Sprint can brand for, branding will be made available to KMC hereunder on a first come, first serve basis.

10.2. KMC shall provide the exclusive interface to KMC subscribers, except as KMC shall otherwise specify. In those instances where KMC requests that Sprint personnel interface with KMC subscribers, such Sprint personnel shall inform the KMC subscribers that they are representing KMC, or such brand as KMC may specify.

10.3. Other business materials furnished by Sprint to KMC subscribers shall bear no Sprint corporate name, logo, trademark or tradename.

10.4. Except as specifically permitted by a Party, in no event shall either Party provide

information to the other Party's subscribers about the other Party or the other Party's products or services.

10.5. Within thirty (30) calendar days of request from KMC, Sprint shall share details of Sprint's training approaches related to branding with KMC to be used by Sprint to assure that Sprint meets the branding requirements agreed to by the Parties.

10.6. This Article 10 shall not confer on either Party any rights to the service marks, trademarks and/or trade names owned by or used in connection with services by the other Party, except as expressly permitted in writing by the other Party.

11. REMEDIES

11.1. Specific Performance.

11.1.1. In addition to any other rights or remedies, and unless specifically provided herein to the contrary, either party may sue in equity for specific performance.

11.2. Except as otherwise provided herein, all rights of termination, cancellation or other remedies prescribed in this Agreement, or otherwise available, are cumulative and are not intended to be exclusive of other remedies to which the injured Party may be entitled at law or equity in case of any breach or threatened breach by the other Party of any provision of this Agreement, and use of one or more remedies shall not bar use of any other remedy for the purpose of enforcing the provisions of this Agreement.

12. CONFIDENTIALITY AND PUBLICITY

12.1. All information which is disclosed by one party ("Disclosing Party") to the other ("Recipient") in connection with this Agreement, or acquired in the course of performance of this Agreement, shall be deemed confidential and proprietary to the Disclosing Party and subject to this Agreement, such information including but not limited to, orders for services, usage information in any form, and CPNI as that term is defined by the Act and the rules and regulations of the FCC (collectively "Confidential Information" and/or "Proprietary Information").

12.2. During the Term of this Agreement, and for a period of three (3) year thereafter, Recipient shall

12.2.1. use it only for the purpose of performing under this Agreement,

12.2.2. hold it in confidence and disclose it only to employees or agents who have a need to know it in order to perform under this Agreement, and

12.2.3. safeguard it from unauthorized use or Disclosure using no less than the degree of care with which Recipient safeguards its own Confidential Information.

12.3. Recipient shall have no obligation to safeguard Confidential Information

12.3.1. which was in the Recipient's possession free of restriction prior to its

receipt from Disclosing Party,

12.3.2. which becomes publicly known or available through no breach of this Agreement by Recipient,

12.3.3. which is rightfully acquired by Recipient free of restrictions on its Disclosure, or

12.3.4. which is independently developed by personnel of Recipient to whom the Disclosing Party's Confidential Information had not been previously disclosed.

12.4. Recipient may disclose Confidential Information if required by law, a court, or governmental agency, provided that Disclosing Party has been notified of the requirement promptly after Recipient becomes aware of the requirement, and provided that Recipient undertakes all lawful measures to avoid disclosing such information until Disclosing Party has had reasonable time to obtain a protective order or other relief. Recipient agrees to comply with any protective order that covers the Confidential Information to be disclosed.

12.5. Each Party agrees that in the event of a breach of this §12 by Recipient or its representatives or agents, Disclosing Party shall be entitled to equitable relief, including injunctive relief and specific performance. Such remedies shall not be exclusive, but shall be in addition to all other remedies available at law or in equity.

12.6. CPNI related to KMC's subscribers obtained by virtue of Local Interconnection or any other service provided under this Agreement shall be KMC's Proprietary Information and may not be used by Sprint for any purpose except performance of its obligations under this Agreement, and in connection with such performance, shall be disclosed only to employees with a need to know, unless the KMC subscriber expressly directs KMC to disclose such information to Sprint pursuant to the requirements of Section 222(c)(2) of the Act. If Sprint seeks and obtains written approval to use or disclose such CPNI from KMC's subscribers, such approval shall be obtained only in compliance with Section 222(c)(2) of the Act and, in the event such authorization is obtained, Sprint may use or disclose only such information as KMC provides pursuant to such authorization and may not use information that Sprint has otherwise obtained, directly or indirectly, in connection with its performance under this Agreement. CPNI related to Sprint's subscribers obtained by virtue of Local Interconnection shall be Sprint's Proprietary Information and may not be used by KMC for any purpose except performance of its obligations under this Agreement, and in connection with such performance shall be disclosed only to employees with a need to know, unless the Sprint subscriber expressly directs Sprint to disclose such information to KMC pursuant to the requirements of Section 222(c)(2) of the Act. If KMC seeks and obtains written approval to use or disclose such CPNI from Sprint's subscribers, such approval shall be obtained only in compliance with Section 222(c)(2) of the Act and, in the event such authorization is obtained, KMC may use or disclose only such information as Sprint provides pursuant to such authorization and may not use information that KMC has otherwise obtained, directly or indirectly, in connection with its performance under this Agreement.

12.7. Unless otherwise agreed, neither Party shall publish or use the other Party's logo,

trademark, service mark, name, language, pictures, symbols or words from which the other Party's name may reasonably be inferred or implied in any product, service, advertisement, promotion, or any other publicity matter, except that nothing in this paragraph shall prohibit a Party from engaging in valid comparative advertising. This §0 shall confer no rights on a Party to the service marks, trademarks and trade names owned or used in connection with services by the other Party or its Affiliates, except as expressly permitted by the other Party.

12.8. Neither Party shall produce, publish, or distribute any press release nor other publicity referring to the other Party or its Affiliates, or referring to this Agreement, without the prior written approval of the other Party, except to the extent that the information being distributed is public information. Each party shall obtain the other Party's prior approval before discussing this Agreement in any press or media interviews. In no event shall either Party mischaracterize the contents of this Agreement in any public statement or in any representation to a governmental entity or member thereof.

Except as otherwise expressly provided in this §12, nothing herein shall be construed as limiting the rights of either Party with respect to its customer information under any applicable law, including without limitation §222 of the Act.

13. WARRANTIES

13.1. Sprint agrees that Interconnection must be provided in a competitively neutral fashion, at any technically feasible point within its network as stated in this Agreement and that such interconnection must contain all the same features, functions and capabilities, and be at least equal in quality to the level provided by Sprint to itself, its Affiliates, and other telecommunications carriers.

13.2. Sprint agrees that it shall provide to KMC on a nondiscriminatory basis unbundled Network Elements and ancillary services as set forth in this Agreement and the operations support systems as set forth in this Agreement. Sprint further agrees that these services, or their functional components, must contain all the same features, functions and capabilities and be provided at a level of quality at least equal to the level which it provides to itself, its Affiliates, and other telecommunications carriers.

13.3. The Parties shall provide, in a competitively neutral fashion, INP and LNP as set forth herein and in accordance with the applicable rules, regulations and orders of the FCC and this Commission.

13.4. Sprint agrees that it shall provide to KMC, in a competitively neutral fashion, dialing parity for local exchange service and interexchange service pursuant to the applicable rules, regulations and orders of the state regulatory body and the FCC in effect.

13.5. Sprint agrees that order entry, provisioning, installation, trouble resolution, maintenance, billing, and service quality with respect to Local Resale must be provided at least as expeditiously as Sprint provides for itself or for its own retail local service or to others, or to its Affiliates, and that it shall provide such services to KMC in a competitively neutral fashion.

14. ASSIGNMENT AND SUBCONTRACT

14.1. Neither Party hereto may assign or otherwise transfer its rights or obligations under this Agreement, except with the prior written consent of the other Party hereto, which consent shall not be unreasonably withheld; provided, however, that, so long as the performance of any assignee is guaranteed by the assignor, either Party may assign its rights and delegate its benefits, duties and obligations under this Agreement, without the consent of the other Party, to any Affiliate of such Party. Each Party shall notify the other in writing of any such assignment. Nothing in this Section is intended to impair the right of either Party to utilize subcontractors. Thereafter, the successor Party shall be deemed CLEC or Sprint and the original Party shall be relieved of such obligations and duties, except for matter arising out of events occurring prior to the date of such undertaking.

14.2. Notwithstanding the above, should Sprint sell or trade substantially all the assets in an exchange or group of exchanges that Sprint uses to provide Telecommunications Services, then Sprint will assign the portions of this Agreement for those exchanges/markets where KMC is actually interconnecting and providing Telecommunications Services. Sprint may terminate this Agreement in whole in part as to any particular exchange or group of exchanges where KMC is not actually interconnecting and providing Telecommunications Services upon sixty (60) days prior written notice, but in any event, Sprint shall make reasonable efforts to assist KMC in a reasonably seamless transition to the acquiring provider. The Parties agree to abide by any applicable Commission Order.

15. GOVERNING LAW

15.1. This Agreement shall be governed by and construed in accordance with the Act, the FCC's Rules and Regulations and orders of the Commission, except insofar as state law may control any aspect of this Agreement, in which case the domestic laws of the Commission's state, without regard to its conflicts of laws principles, shall govern.

16. RELATIONSHIP OF PARTIES

16.1. It is the intention of the Parties that each Party shall be an independent contractor and nothing contained herein shall constitute the Parties as joint venturers, partners, employees or agents of one another, and neither Party shall have the right or power to bind or obligate the other.

17. NO THIRD PARTY BENEFICIARIES

17.1. The provisions of this Agreement are for the benefit of the Parties hereto and not for any other person, and this Agreement shall not provide any person not a party hereto with any remedy, claim, liability, reimbursement, right of action, or other right in excess of those existing without reference hereto. This shall not be construed to prevent Carrier from providing its Telecommunications Services to other carriers.

18. NOTICES

18.1. Except as otherwise provided herein, all notices or other communication hereunder shall be deemed to have been duly given when made in writing and delivered in person or deposited in the United States mail, certified mail, postage prepaid, return receipt requested and addressed as follows:

If to Sprint: Director
Local Carrier Markets
Sprint
6480 Sprint Parkway
KSOPHM0310-3A453
Overland Park, KS 66251

If to CLEC: KMC Telecom Holdings, Inc.
Interconnection Contract Mgmt.
Attn: Marva Brown Johnson
1755 North Brown Road
Lawrenceville, Georgia 30043
Tel: (678) 985-7900
Fax: (678) 985-6213
Email: marva.johnson@kmctelecom.com

with a [insert Sprint local POC]
copy to:

With a Copy to: KMC Telecom Holdings, Inc.
Office of General Counsel / Legal Affairs
Attn: Riley Murphy
1545 Route 206
Bedminster, New Jersey 07921
Tel: (908) 470-2100
Fax: (908) 719-8776
Email: riley.murphy@kmctelecom.com

18.2. If delivery, other than certified mail, return receipt requested, is used to give notice, a receipt of such delivery shall be obtained and the notice shall be effective when received. If delivery via certified mail, return receipt requested, is used, notice shall be effective when sent. The address to which notices or communications may be given to either Party may be changed by written notice given by such Party to the other pursuant to this §18.

19. WAIVERS

19.1. No waiver of any provisions of this Agreement and no consent to any default under this Agreement shall be effective unless the same shall be in writing and properly executed by or on behalf of the Party against whom such waiver or consent is claimed.

19.2. No course of dealing or failure of any Party to strictly enforce any term, right, or condition of this Agreement in any instance shall be construed as a general waiver or relinquishment of such term, right or condition.

19.3. Waiver by either party of any default by the other Party shall not be deemed a waiver of any other default.

20. SURVIVAL

20.1. Termination of this Agreement, or any part hereof, for any cause shall not release either Party from any liability which at the time of termination had already accrued to the other Party or which thereafter accrues in any respect to any act or omission occurring prior to the termination or from an obligation which is expressly stated in this Agreement to survive termination including but not limited to §§ 5, 5, 6, 7, 8, 12, 17, 19, and 22.

21. FORCE MAJEURE

21.1. Neither Party shall be held liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, power blackouts, strikes, work stoppage affecting a supplier or unusually severe weather conditions (individually or collectively, a **"Force Majeure Event"**). No delay or other failure to perform shall be excused pursuant to this §21 unless delay or failure and consequences thereof are beyond the reasonable control and without the fault or negligence of the Party claiming excusable delay or other failure to perform. If a Force Majeure Event shall occur, the Party affected shall give prompt notice to the other Party of such Force Majeure Event specifying the nature, date of inception and expected duration of such Force Majeure Event, whereupon such obligation or performance shall be suspended to the extent such Party is affected by such Force Majeure Event during the continuance thereof or be excused from such performance depending on the nature, severity and duration of such Force Majeure Event (and the other Party shall likewise be excused from performance of its obligations to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its reasonable efforts to avoid or remove the cause of nonperformance and the Parties shall give like notice and proceed to perform with dispatch once the causes are removed or cease. Subject to §3 hereof, in the event of any such excused delay in the performance of a Party's obligation(s) under this Agreement, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost by reason of the delay. In the event of such delay, the delayed Party shall perform its obligations at a performance level no less than that which it uses for its own operations. In the event of such performance delay or failure by Sprint, Sprint agrees to resume performance in a nondiscriminatory manner and not favor its own provision of Telecommunications Services above that of KMC.

22. GENERAL DISPUTE RESOLUTION

22.1. The Parties recognize and agree that the Commission has continuing jurisdiction to implement and enforce all terms and conditions of this Agreement. Accordingly, the Parties agree that any dispute arising out of or relating to this Agreement that the Parties themselves cannot resolve may be submitted to the Commission for resolution. If the Parties are unable to resolve the dispute as provided herein, the Parties agree to seek expedited resolution by the Commission, and shall request that resolution occur in no event later than sixty (60) days from the date of submission of such dispute. If the Commission appoints an expert(s) or other facilitator(s) to assist in its decision-making, each party shall pay half of the fees and expenses so incurred. The Commission may

direct payment of any or all charges, plus applicable interest fees, to be paid to either Party. During the Commission proceeding each Party shall continue to perform its obligations under this Agreement provided, however, that neither Party shall be required to act in any unlawful fashion. This provision shall not preclude the Parties from seeking relief available in any other forum.

22.2. If any matter, other than a billing dispute, is subject to a bona fide dispute between the Parties, the disputing Party shall, within thirty (30) days after the party would have reasonably discovered the event giving rise to the dispute, give written notice to the other Party of the dispute and include in such notice the specific details and reasons for disputing each item.

22.2.1. If the Parties are unable to resolve the issues related to the dispute in the normal course of business within forty-five (45) days after delivery of notice of the Dispute to the other Party, the dispute shall be escalated to a designated representative who has authority to settle the dispute and who is at a higher level of management than the persons with direct responsibility for administration of this Agreement. The designated representatives shall meet as often as they reasonably deem necessary in order to discuss the dispute and negotiate in good faith in an effort to resolve such dispute. The specific format for such discussions will be left to the discretion of the designated representatives, provided, however, that all reasonable requests for relevant information made by one Party to the other Party shall be honored.

22.2.2. If the Parties are unable to resolve the dispute within forty-five (45) days after the Parties' appointment of designated representatives pursuant to §22.3.1, then either Party may file a complaint with the Commission or Court of competent jurisdiction pursuant §22.2 above to resolve such issues or proceed with any other remedy pursuant to law or equity.

22.3. Nothing in this §22 shall be construed to preclude or limit either Party from seeking immediate injunctive relief from a court or agency with competent jurisdiction to the extent it deems necessary.

23. NON-DISCRIMINATORY TREATMENT

23.1. Sprint shall make available, pursuant to 47 USC § 252(i) and the FCC rules and regulations regarding such availability, to KMC, at the same rates, and on the same terms and conditions, any interconnection, service, or network element provided under any other agreement filed and approved pursuant to 47 USC § 252. The adopted interconnection, service, or network element and agreement shall apply to the same states as such other agreement and for the identical term of such other agreement. The adopted rates, terms, and conditions shall be effective as of the date the Parties sign an agreement or amendment incorporating such adopted rates, terms, or conditions.

23.2. Notwithstanding the above, the MFN Obligations shall not apply to any service as to which Sprint has established before the Commission, or otherwise established to the reasonable satisfaction of KMC, that:

23.2.1. The costs of providing the interconnection arrangement, resale of Telecommunications Services, or category of Network Elements to KMC are greater than the costs of providing same to the Telecommunications Carrier that originally negotiated such agreement;

23.2.2. The provision of a particular interconnection arrangement, resale of Telecommunications Services, or category of Network Elements to KMC is not technically feasible;

23.2.3. Pricing is provided to a third party for a cost-based term or cost-based volume discount offering and KMC seeks to adopt the cost-based term or cost-based volume discount price without agreeing to all or substantially all of the terms and conditions of the cost-based term or cost-based volume discount offering;

23.2.4. Pricing is provided to a third party on a dissimilar (*e.g.*, deaveraged vs. averaged price) basis, KMC may only elect to amend this Agreement to reflect all such differing pricing (but not less than all) by category of Network Element or resale of Telecommunications Services in its entirety, contained in such third party agreement; or

23.2.5. Interconnection arrangement, resale of Telecommunications Services, or Network Elements are provided to a third party in conjunction with material terms or conditions related to functionality that directly impact the provisioning of said service and KMC seeks to adopt such interconnection arrangement, resale of Telecommunications Services, or Network Elements without inclusion of all or substantially of all said material terms or conditions.

24. COOPERATION ON FRAUD

24.1. The Parties agree that they shall cooperate with one another to investigate, minimize and take corrective action in cases of fraud. The Parties' fraud minimization procedures are to be cost effective and implemented so as not to unduly burden or harm one party as compared to the other.

25. TAXES

25.1. Any Federal, state or local excise, license, sales, use, or other taxes or tax-like charges (excluding any taxes levied on income) resulting from the performance of this Agreement shall be borne by the Party upon which the obligation for payment is imposed under applicable law, even if the obligation to collect and remit such taxes is placed upon the other Party. Any such taxes shall be shown as separate items on applicable billing documents between the Parties. The Party obligated to collect and remit taxes shall do so unless the other Party provides such Party with the required evidence of exemption. The Party so obligated to pay any such taxes may contest the same in good faith, at its own expense, and shall be entitled to the benefit of any refund or recovery, provided that such party shall not permit any lien to exist on any asset of the other party by reason of the contest. The Party obligated to collect and remit taxes shall cooperate fully in any such

contest by the other Party by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest.

26. AMENDMENTS AND MODIFICATIONS

26.1. No provision of this Agreement shall be deemed waived, amended or modified by either party unless such a waiver, amendment or modification is in writing, dated, and signed by both Parties.

27. SEVERABILITY

27.1. Subject to § 0, if any part of this Agreement is held to be invalid for any reason, such invalidity will affect only the portion of this Agreement which is invalid. In all other respects this Agreement will stand as if such invalid provision had not been a part thereof, and the remainder of the Agreement shall remain in full force and effect.

28. HEADINGS NOT CONTROLLING

28.1. The headings and numbering of Articles, Sections, Parts and Parts in this Agreement are for convenience only and shall not be construed to define or limit any of the terms herein or affect the meaning or interpretation of this Agreement.

29. ENTIRE AGREEMENT

29.1. This Agreement, including all Parts and Parts and subordinate documents attached hereto or referenced herein, all of which are hereby incorporated by reference herein, constitute the entire matter thereof, and supersede all prior oral or written agreements, representations, statements, negotiations, understandings, proposals, and undertakings with respect to the subject matter thereof.

30. COUNTERPARTS

30.1. This Agreement may be executed in counterparts. Each counterpart shall be considered an original and such counterparts shall together constitute one and the same instrument.

31. SUCCESSORS AND ASSIGNS

31.1. This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors and permitted assigns.

32. IMPLEMENTATION OF THE AGREEMENT

32.1. This Agreement sets forth the overall standards of performance for services, processes, and systems capabilities that the Parties will provide to each other, and the intervals at which those services, processes and capabilities will be provided. The Parties understand that the arrangements and provision of services described in this Agreement shall require technical and operational coordination between the Parties. Accordingly,

the Parties agree to form a team (the "Implementation Team") that shall develop and identify those processes, guidelines, specifications, standards and additional terms and conditions necessary to support and satisfy the terms set forth in this Agreement and implement each Party's obligations hereunder, both initially and for the term of the Agreement. Each Party shall designate no more than four (4) persons to be permanent members of the Implementation Team; provided that either Party may include in meetings or activities such technical specialists or other individuals as may be reasonably required to address a specific task, matter or subject. Each Party may replace its representatives by delivering written notice thereof to the other Party. Further, the Parties agree that prior to this Agreement, members of the Implementation Team were identified and they have been engaged in joint efforts to identify and implement business process improvements.

32.2. The Implementation Team shall develop a plan for implementation of this Agreement (the "Implementation Plan") and implement the plan within one hundred twenty (120) days of the Effective Date of this Agreement.

32.3. If the Implementation Team is unable to agree upon any of the matters to be included in the Implementation Plan, then either Party may invoke the procedures set forth in Part B, Section 22.